



MEMORANDUM

AD-53 (1/80)

TO: State Tax Commission
FROM: Harris Sitrin
SUBJECT: Reduction in Tax
Liz Claiborne Inc.

OFFICE: DOAB - Corp. Tax

DATE: July 2, 1984

Form AU-316.12 attached to the 1980 corporation franchise tax report of Liz Claiborne indicates a tax reduction of \$32,618.00.

During a field audit conducted by the New York District Office, the business allocation percentage was reduced from 26.2174 to 23.1848. The taxpayer erroneously included compensation paid to general executive officers in both the numerator and denominator of the wage factor of the business allocation percentage.

Your approval of the tax reduction is recommended.

Director
District Office Audit Bureau

Approved Spec Disapproved _____
President

Approved K.F.K. Disapproved _____
Commissioner

Approved ✓ Disapproved _____
Commissioner